engineered organisms or cells, shall not be produced, sold, imported or used except with the approval of the Genetic Engineering Approval Committee (GEAC). The GEAC has not fixed GM certification norms for import of food products.

Auction of tobacco

630. SHRI NANDIYELLAIAH:
DR. T. SUBBARAMI REDDY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Andhra Pradesh Agriculture Minister had urged him for immediate market intervention by the Tobacco Board to lift the tobacco from the auction platforms;

(b) if so, whether he has pointed out that even though the auction platforms were opened on January 24, 2002, so far not even 40 per cent of stocks were lifted;

(c) whether he had given any assurance in this regard; and

(d) if so, what steps were taken by Government on the proposals made by Andhra Pradesh Agriculture Minister?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDI): (a) to (d)Yes, Sir. A proposal in this regard was considered. However, on overall consideration, it was felt that market intervention by the Tobacco Board was not warranted at that stage. As on date, around 108 million kilograms of a total estimated crop of around 115 million milograms have already been auctioned.

Protection to domestic tea companies

†631. SHRI KHAN GHUFRAN ZAHIDI:
SHRI K. RAHMAN KHAN:
SHRI KARNENDU BHATTACHARJEE:
SHRI J. CHITHARANJAN:
SHRI V.V. RAGHAVAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have allowed hundred per cent foreign investment in tea plantations; if so, the details thereof and the reasons therefor;

†Original notice of the question was received in Hindi.

(b) the details of steps taken under the said decision for safeguarding the interests of Indian tea companies and the tea plantation workers; and

(c) in what manner it would help the tea sector and the consumers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) The Government has recently permitted FDI up to 100% in the tea sector, including tea plantations, subject to compulsory divestment of 26% equity of the company in favour of an Indian partner/Indian public within a period of five years; and prior approval of the State Government concerned in case of any future land use change.

(b) The Indian Companies will benefit from capital infusion, technology upgradation and modern management practices. The tea plantation workers will benefit from employment opportunities resulting out of the growth and development of tea plantations, which are highly labour intensive. Moreover, the various labour legislations, including the Plantation Labourer Act, 1951 will be applicable to protect the interests of tea plantation workers.

(c) FDI in the tea sector will help the tea sector in the following manner:

(i) rejuvenation of Indian tea plantations, which need urgent replacement of aging bushes. This will help improve productivity.

(ii) make the Indian tea manufacturing industry internationally competitive through modernisation of processing and packaging capabilities.

(iii) create forward and backward linkages through collaboration between planters, research agencies, tea marketing companies, etc.

(iv) provide better access to the overseas market.

The consumers will benefit in terms of product quality and price as a result of competition.